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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending February 28, 2014

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Feeder Cattle **Steers**

	Range	Average	Change from last week
300-400	190-225	201.79	-9.59
400-500	185-220	199.92	-10.08
500-600	175-220	199.23	+0.48
600-700	173-200	186.56	-0.03
700-800	155-185	171.46	+0.15
800-900	148-174	159.87	-2.93
900+	150-163	154.63	+0.63

Heifers

	Range	Average	Change from last week
300-400	170-194	183.75	+7.08
400-500	168-199	184.42	+0.79
500-600	165-192	178.18	+1.12
600-700	152-183	166.01	-0.27
700-800	140-170	155.78	+1.45
800+	127-166	147.11	+0.90

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

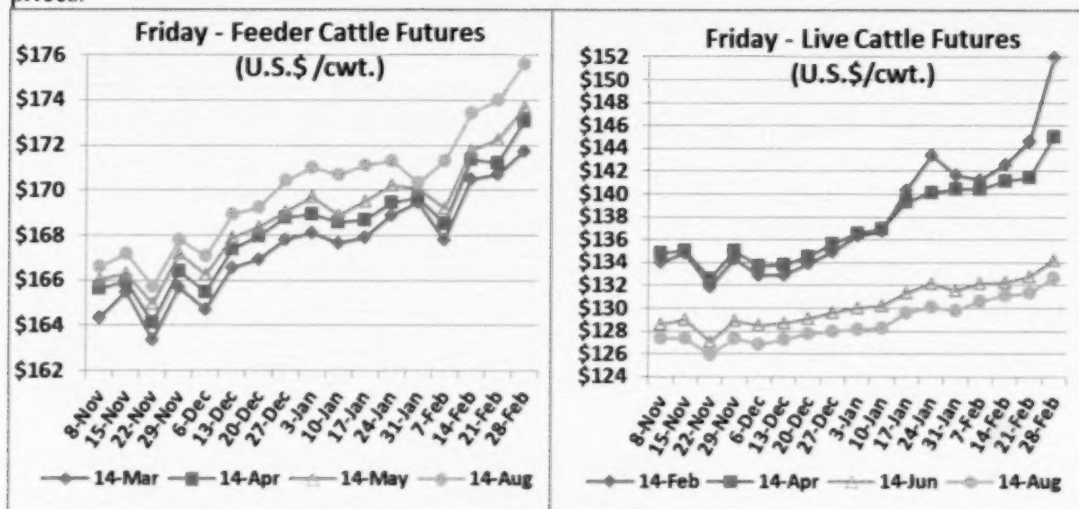
Canfax reported that a total of 15,548 head of cattle were sold in Saskatchewan this week, down from 18,735 head marketed the previous week.

Saskatchewan feeder steer prices were overall mixed over the week with big losses in the light weight categories. The price ranges in most of the weight categories noticeably widen from the previous week. Feeder steer prices ranged from \$10.08 per cwt lower to \$0.63 per cwt higher, from the previous week. The 400-500 lb. weight category had the biggest loss at \$10.08 per cwt while the 900+ lb. weight category had the largest increase at \$0.63 per cwt.

Feeder heifer prices were mostly higher over the week. Feeder heifer prices ranged from \$0.27 per cwt lower to \$7.08 per cwt higher, from the previous week. The 600-700 lb. weight category had the only losses over the week at \$0.27 per cwt while the 300-400 lb. weight category had the largest gain increasing \$7.08 per cwt. Price ranges in various weight categories for feeder heifers also widened noticeably from the previous week. With feeder heifer prices continuing to overall edge higher over the week new price records continued to be broken.

The Saskatchewan 750 lb. feeder steer basis compared to the February 27, 2014 U.S. feeder cattle index at US\$171.03 per cwt was calculated at -\$17.94 per cwt (US\$171.03/0.9030 - \$171.46), a basis narrowing of \$0.87 per cwt from -\$18.81 per cwt on February 20, 2014.

Feeder cattle futures prices continued to edge higher over the week. The March to August 2014 contracts increased between US\$1.000 per cwt and US\$1.850 per cwt, week-over-week. The March contract settled the week at US\$171.700 per cwt while the August contract settled the week at US\$175.575 per cwt. The March to August contracts are within a dollar of their record prices.



Source: CME

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Live cattle futures prices were noticeably higher over the week with the February contract increasing US\$7.400 per cwt higher to expire at US\$151.950 per cwt. The April to August 2014 contracts increased between US\$1.325 per cwt and US\$3.525 per cwt. The April contract increased by US\$3.525 to close the week at US\$144.975 while the August contract increased US\$1.325 to close the week at US\$132.625 per cwt. February and April contracts hit new record highs while the June and August contracts were very close to new records.

Iowa cash corn prices and the nearby corn futures were higher over the week. The Iowa cash price as of Friday was US\$4.43 per bushel, up 4 cents from US\$4.39 per bushel the previous Friday. The March corn futures contract was over 4 cents higher to settle Friday at US\$4.574 per bushel while the May contract was over 4 cents higher to settle at US\$4.634 per bushel.

Fed and Non-fed Cattle

	February 28	February 21	Change
Cows (Alberta)			
D1,2 Live	89.69	90.20	-0.51
D3 Live	79.88	80.13	-0.25
Rail	175-180	176-181	-1.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were steady but slightly lower over the week with D1,2 slaughter cows decreasing \$0.51 per cwt to average \$89.69 per cwt while the price of D3 slaughter cows decreased \$0.25 per cwt to average \$79.88 per cwt, from the previous week.

There were no fed cattle prices reported in Western Canada over the week as the weekly sale volumes were too light to establish a price trend. Fed steer prices in Ontario were reported \$2.87 per cwt higher than the previous week to average \$148.73 per cwt. Fed steers in Alberta two weeks ago (Feb. 14) were reported to average \$135.09 per cwt.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at a US\$150.61 per cwt, up US\$5.07 per cwt from US\$145.54 per cwt the previous week, and up 17.8 per cent from US\$127.82 per cwt the same week a year ago. Fed steer prices reached new records in the U.S. over the week as they were over US\$150 per cwt for the first time. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$239.98 per cwt, up US\$9.43 per cwt from US\$230.55 per cwt the previous week, and up 18.4 per cent from US\$203.25 per cwt the same week a year ago.

Choice beef cutout prices (600-900 lb.) averaged US\$219.60 per cwt, up US\$6.62 per cwt from US\$212.98 per cwt the previous week, and up 18.4 per cent from US\$185.49 per cwt the same week a year ago. Beef production for the week averaged 455.5 million lb., up 5.1 per cent from 433.3 million lb. the previous week, and up 2.1 per cent from 446.3 million lb. the same week a year ago.

Note: Cow-calf producers in Saskatchewan are reminded to check with their local market operators regarding current market conditions for non-fed cattle. Producers are also reminded that old, thin cows have a very low market value. The non-fed prices quoted each week do not represent the market price for these animals. As an alternative to transporting these animals, you may want to check with your local veterinarian or the nearest Canadian Food Inspection Agency (CFIA) office to see if these animals are eligible for testing as part of the bovine spongiform encephalopathy (BSE) surveillance program. Producers receive \$75 from the CFIA for each eligible sample submitted. The goal of this program is to prove that the BSE control measures implemented in Canada are working.

Friday Price Information

Product		This Week (February 28)	Week of: (February 21)
Canadian Dollar (closing rate US\$)		.9030	.8982
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)		171.03	170.77
Seven-day Weighted Average FC Index Wt. (lb.)		762	754
Live Fed 5-area Steer Price (US\$ per cwt)		150.61	145.54
Feed Grains			
Barley	Lethbridge (\$/tonne)	176.00	170.00
	(\$ per bu.)	3.83	3.70
Corn	Iowa State Average (CDN\$/tonne)*	193.13	192.41
	(US\$ per bu.)	4.43	4.39
	Omaha, NE (CDN\$/tonne)*	191.39	184.09
	(US\$ per bu.)	4.39	4.20
Futures			
March Corn (US\$ per bu.)		4.57½	4.53
May Corn (US\$ per bu.)		4.63½	4.59
Feb. Live Cattle (US\$ per cwt)* expiry		151.950	144.550
April Live Cattle (US\$ per cwt)		144.975	141.450
March Feeder Cattle (US\$ per cwt)		171.700	170.700
May Feeder Cattle (US\$ per cwt)		173.075	171.200

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN\$ is based on Friday's CDN\$ closing rate

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